(d) if so, the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI M. ARUNACHALAM): (a) Yes, Sir.

(b) A Statement is enclosed.

(c) and (d). The 72nd and 73rd Constitution (Amendment) Bills were introduced in the Parliament in the year 1991. Both the Bills are now under consideration of separate Joint Committees of the Parliament. The all India Council of Mayors has informed that after consideration of the matter at Bangalore, on the 11th Feb. 1992, the Council has given a fresh memorandum to the conference Joint Committee of the Parliament. Further action by the Government will be on the basis of the recommendations of the Joint Committee and discussions on the Bill in the Parliament.

STATEMENT

Broadly the following suggestions have been made by the all India Council of Mayors.

1. (a) No Panchayat/Municipality should be dissolved before expiry of five years.

   (b) The grounds for supersession should be only grave financial irregularities and before superseding the local Body, show cause notice be given and Judicial be conducted to file charges levelled.

2. Insertion of a new Article in the Constitution specifying the exclusive financial resources for local Bodies.

3. The determination of taxes, dutles tolls and fees which may be assigned to or appropriated by the Panchayat/Municipality should not be left to be decided by the State Finance Commission to be set up under Article 243 I of the Constitution and the same should be specified in the Constitution itself otherwise it may lead to further disparities uncertainties and difficulties.

4. The provision relating to Constitution and composition of Committees at Ward Level or other levels within a territorial area of a Municipality may be deleted as such provision has not been tried in any city till now and formation of such Committees may lead many to problems such as allocation of powers, duties and responsibilities among Councillors and members of the Ward, Committees and Chairman of such Committees and also problem of coordination amend such Committees.

5. A new Article may be incorporated in the Constitution to empower Parliament to pass Model corporation Act, Model Municipalities Act and Model Panchayats Act for regulating the Constitution and administration of these Local Bodies.

6. The provisions relating to continuance of existing laws inconsistent with the Amendment Act until the expatiation of the largest duration of any expiration Panchayat/Municipality at any level may be deleted.

Expansion of KRIBHCO

3483. SHRI S.B. SIDNAL: Will the PRIME MINISTER be pleased to state:

(a) whether the Government propose to expand KRIBHCO (Krishak Bharati Co-op. Ltd);

(b) if so, the details thereof;

(c) the net profit earned by KRIBHCO during 1989-90 and 1990-91,

(d) the interest, if any, earned by KRIBHCO during 1990-91; and

(e) the total amount of assistance received from the Central Government and the financial institutions by KRIBHCO and the amount paid back during the above period?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILISERS (DR. CHINTA MOHAN): (a) and (b). The Eighth Five Year Plan proposals envisage the setting up of a new ammonia/urea plant of the H-B-J line and a nitrophosphate plant at Hazira, by KRIBHCO. The Eighth Plan is, however, yet to be finalised.

(c) The net profit of KRIBHCO for the financial year 1989-90 and 1990-91 was Rs. 91. 51 crores and Rs. 94.65 crores, respectively.

(d) The interest earned by KRIBHCO on short term investments of surplus funds during the financial year 1990-91 was Rs. 15.03 crores.

(e) KRIBHCO had drawn a total loan of Rs.342.50 crores from Government of India and Rs. 79.75 crores from a finacial institutions. The total loan amount of Rs 79.75 crores drawn from financial institutions had already been repaid/pre-paid upto 31.3.1989. KRIBHCO has also pre-paid a total loan of Rs. 252.50 crores to Govt. of India, out of which Rs. 230 crores was pre-paid upto 31.3.1989 and Rs. 22.50 crores was pre-paid during 1989-90. KRIBHCO has repaid/ pre- paid any Government of India loan during 1990-91.

Export by Small Scale Industries

3484. SHRI PARKASH V. PATIL: Will the PRIME MINISTER be pleased to state:

(a) whether the Small Scale Industries in the country have exported more than the large scale industries during the last three years; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P.J. KURIEN): (a) No, Sir.

(b) Does not arise.

Foreign Equity holding in Trading Companies

3485. SHRI PARAS RAM BHARDWAJ: Will the PRIME MINISTER be pleased to state:

(a) whether the Government have laid down any criteria for approval of foreign equity holding in trading companies primarily engaged in export activities; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P.J. KURIEN): (a) and (b). To provide access to international markets, majority foreign equity holding upto 51% equity is allowed for trading companies primarily engaged in export activities. Ministry of Industry's Press Note No. 23 (1991 Series) dated 31.12.1991 sets out the principles and procedures for approval of foreign equity holding upto 51% in such companies. Both new and existing companies. subject to requirements as may be applicable, can obtain automatic approval from the Reserve Bank of India on an application for foreign investment upto 51% foreign equity. The outflow of foreign exchange on account of dividend payments are to be balanced by export earnings over a period of time in respect of all approvals.